

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: September 13, 2002

SUBJECT: Fiscal Impact Statement: "Medicaid: Amendment to the 1915 (c) Elderly Waiver to Add Services and Enhance Access for Low Income Elderly Individuals and Adults with Physical Disabilities (Ages 21-65)"

REFERENCE: Draft Amendment – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the proposed amendment because the costs of the additional services is an on-going expense under Medicaid, already funded. The proposed amendment may result in cost savings for the District of an estimated \$300,000 in FY 2003 and additional savings in the out years.

Background

The proposed amendment would expand eligibility to low-income adults with physical disabilities and provide coverage for assisted living facilities and attendant care. This would allow the Medical Assistance Administration to provide home and community-based care to patients who would otherwise be served in institutions such as nursing homes.

Financial Plan Impact

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the proposed amendment because the costs associated with the change are included in the FY 2002 budget. The proposed amendment would allow certain eligible Medicaid patients currently served in institutions at an average annual cost of \$75,626 to be served in community-based setting at an average annual cost of \$22,385. This would result in an estimated cost savings of over \$300,000 in FY 2003, increasing in the out years.